



Affordable Housing Strategic Plan

Community Advisory Committee

Technical Advisory Committee

Kickoff Meeting

November 16, 2016

A place where families and businesses thrive.

Meeting Agenda

- Welcome and Introductions (10 minutes)
 - *Welcome and opening comments*
 - *Introductions: please state your name, organization and role in providing affordable housing*
- Overview of Meeting Agenda (5 Minutes)
- Overview of Affordable Housing Strategic Planning Project, Role of Advisory Committees and Project Objective/Scope (20 minutes)
- Discuss Definition of Affordable Housing for Purposes of Strategic Plan (15 minutes)
- Discuss Forest Grove Comprehensive Plan Goals and Policies Related to Affordable Housing (15 Minutes)
- Overview of Affordable Housing Needs, Existing Data and Data Gaps (15 minutes)
- Next Steps (5 minutes)
- Announce Next Meeting and Adjourn (5 minutes)



Project Overview

Affordable Housing

- What has been done so far:
 - City Council Included Addressing Affordable Housing as a Goal for the upcoming year.
 - Presentations Made By:
 - Ann Blaker (Bienestar), April 11, 2016
 - Val Valfre, Jr. (Washington County Department of Housing Services), May 9, 2016
 - Jennie Proctor (Washington County Office of Community Development), August 8, 2016
 - Glen Montgomery (Vision Action Network), October 24, 2106
 - Work Session on Affordable Housing held on August 8, 2016
 - Briefing on SB 1533
 - Outline of Draft Work Program for Affordable Housing effort
 - Proposed Technical Advisory Committee (TAC)
 - Due to Council request to add others, staff is proposing a two committee approach with a Citizen Advisory Committee (CAC) and TAC

Community Advisory Committee (CAC)

Invitees

Organization	Area of Responsibility
Interfaith Committee on Homelessness	Homeless Needs Advocacy
Washington County Housing Advisory Committee	Advise County Board of Commissioners on policy matters related to housing issues for low and moderate income residents
Habitat for Humanity	Non-Profit Affordable Housing Developer
Fair Housing Council of Oregon Member	Non-Profit Advocate for Affirmatively Furthering Fair Housing
Adelante Mujeres	Non-Profit Representative of Hispanic Community
Bienestar	Non-Profit Community Development Corporation
Casa of Oregon	Non-Profit Affordable Housing Funder (Community Development Financial Institution)
Ride Connection	Transit Provider
Pacific University	Student Housing Provider
Forest Grove United Church of Christ	Homeless Services
Vision Action Network	Affordable Housing Collaboration
Home Builders Association	Residential Building Industry Advocacy
Planning Commission Representative	Council Advisory Committee
Sustainability Commission Representative	Council Advisory Committee
Economic Development Commission Representative	Council Advisory Committee
Public Safety Advisory Commission Representative	Council Advisory Committee

Technical Advisory Committee (TAC)

Invitees

Organization	Area of Responsibility
Washington County Housing Services	County Housing Activities and Programs
Washington County Community Development	CDBG & Home Programs
Washington County Land Use and Transportation	Affordable Housing Planning
Community Housing Fund	Non-profit affordable housing funder
Reach Community Development	Community Development Corporation
Cascade Property Management	Section 8 Housing Manager
Wells Fargo	Private Mortgage Lender
HUD Portland Field Office	CDBG, Home, and Section 8 programs
USDA Rural Development Office	Housing Loans and Loan Guarantees
Metro	Affordable Housing Planning and Programs
PNC Multifamily Capital	Affordable housing funder
City of Cornelius	Neighboring City

Project Objective

- Develop policy direction and program (specific recommendations) for City Council consideration to promote affordable housing in Forest Grove.
 - Subsequently, once direction is attained through this process, then pursue with implementing actions
- City Council Objective 3.18:
 - Draft a white paper on City efforts relating to affordable housing including reviewing codes for tiny houses and holding a work session.

Scope of Project

- Prepare Program and Policy Recommendations for Consideration by City Council Including:
 - Evaluate tools to promote affordable housing and determine those appropriate for Forest Grove.
 - Evaluate techniques to overcome barriers to affordable housing and determine those methods appropriate for Forest Grove.
 - Recommend possible amendments to the City codes to promote low and moderate income housing and/or new ordinances to establish new fees to help subsidize affordable housing;
- As part of this process, assess proposed approaches on:
 - Ability to create affordable housing;
 - Possible impact to development costs and ability to provide affordable housing;
 - Potential impacts to City budget to implement recommendations; and
 - Potential impacts on neighborhoods

Proposed Meetings

- **Joint CAC/TAC Meeting (Project Kick-Off)**
 - Meeting Objectives:
 - Agreement on issue statement defining scope of project
 - Identification of data gaps to address
 - Agreement on affordable housing definition for purposes of the strategic plan
- **TAC Meeting**
 - Meeting Objectives:
 - Identification of affordable housing tools and programs
 - Identification of housing affordability barriers & constraints
 - Agreement on tools to evaluate further
 - Agreement on evaluation criteria
 - Tentative Date: January 25, 2017
- **TAC Meeting**
 - Meeting Objectives:
 - Review assessment of tools/programs identified during TAC meeting #2
 - Recommend tools to include in public review draft of strategic plan
 - Recommend techniques to overcome identified housing affordability barriers/constraints
 - Tentative Date: March 15, 2017

Proposed Meetings

- **CAC Meeting**

- Meeting Objectives:
 - CAC review of TAC recommendations for tools to include in strategic plan and recommended techniques to overcome identified housing affordability barriers/constraints
- Tentative Date: April 19, 2017

- **City Council Presentation**

- Tentative Date: May 8, 2017

- **Joint CAC & TAC Meeting**

- Meeting Objectives:
 - Review public comments on draft strategic plan
 - Agree on edits to plan to incorporate public comments
 - Consensus recommendation on strategic plan for consideration by City Council.
- Tentative Date: May 24, 2017

A large, light green graphic of three oak leaves arranged in a circular pattern, framing the central text.

Discussion



Definition of Affordable Housing for Purposes of Strategic Program

Definition of Affordable Housing

- Defining Affordable Housing:
 - How is affordable housing defined:
 - Rule of thumb: housing costs should not exceed 30% of household income.
 - SB 1533: housing that is affordable to households with incomes equal to or higher than 80 percent of the median family income for the county in which the housing is built.
 - Metro: housing and transportation costs should not exceed 50% of household income.
 - Should the affordable housing program address market rate affordable housing, subsidized affordable housing, both?
 - What income levels should the strategic plan address? Should the plan define target income levels?
 - Should consideration of affordable housing include transportation costs in additional housing cost burden? Do we include other costs?
 - What are other jurisdiction doing with respect to affordable housing?

A large, light green graphic of three oak leaves arranged in a circular pattern, framing the central text.

Discussion



Forest Grove Comprehensive Plan Goals and Policies Related to Affordable Housing

Comprehensive Plan (2014) Policies

- Housing Goal
 - Provide and maintain an adequate supply of affordable housing opportunities.
 - Policy 4.1: Develop and implement programs to offset increasing cost of new housing construction. Programs may include, but are not limited to, reductions in building permit fees, development impact fees, or property taxes for affordable housing meeting US Department of Housing and Urban Development Low Income Housing Tax Credit program requirements.
 - Policy 4.2: Promote the provision of housing assistance to low- and moderate-income individuals in Forest Grove through the Washington County Community Development Block Grant and HOME Investment Partnership programs.
 - Policy 4.3: Develop and implement programs to encourage the rehabilitation of older stock throughout the community. Examples of such programs include grants or low-interest loans for weatherization improvements, and grants for the rehabilitation of historic residences.

Comprehensive Plan (2014) Policies

- Housing Goal
 - Provide and maintain an adequate supply of affordable housing opportunities.
 - Policy 4.4: Develop and support partnerships with local Community Development Corporations whose mission it is to construct and rehabilitate affordable housing in Forest Grove. Such support, within budgetary and staffing limitations, may take the form of direct financial assistance or help preparing grant applications for funding affordable housing projects.
 - Policy 4.5: Implement a program to sell unneeded land owned by the City of Forest Grove for the construction of affordable housing in areas designated for residential development.
 - Policy 4.6: Continue policies to allow for manufactured dwellings on individual lots outside of designated historic districts and within manufactured home parks.

Comprehensive Plan (2014) Policies

- Community Sustainability Goals
 - Reduce barriers to affordable housing by advocating for an inventory of a minimum 20-year supply of land for needed housing types.
- Urbanization Goals
 - Land shall be made available within the urban growth boundary to meet all local land use needs.
- Land Use Policies
 - Development regulations shall promote a variety of housing types suitable for owner- and renter-occupants.
 - Ensuring the availability of affordable housing is a priority for the City of Forest Grove. Affordable housing options provide for through planning and development regulations should reflect the documented housing needs of current and future residents of the City.
 - Develop and implement incentives for the construction of affordable housing meeting documented community needs.
 - Adopt development standards to promote compact and cluster residential land use patterns without requiring a planned development review process. This could include development standards for court bungalows, zero lot line housing, or co-housing.

A large, light green graphic of three oak leaves arranged in a circular pattern, framing the central text.

Discussion



Overview of Affordable Housing Needs, Existing Data and Data Gaps

Context

- Forest Grove is a moderate income area:
 - Median Family Income in Washington County (2014) is \$77,235.
 - 80% of Median Family Income in Washington County (2014) is \$61,788.
 - Median Family Income in Forest Grove is \$58,212.
 - 80% of Median Family Income in Forest Grove (2014) is \$46,570
- Forest Grove is approximately 4% of the Washington County population with about 3.7% of the housing units
- The Forest Grove poverty rate is approximately 19.6%

Context

- What has been done to address affordable housing
 - Jose Arciga (Bienestar)
 - 49 Units (2002)
 - Juniper Gardens (Bienestar)
 - 47 units
 - Farmworker housing
 - USDA/Rural Development Financing
 - Covey Run Townhomes
 - 40 units (2001)
 - Elm Park Phase II
 - 12 Units
 - Section 515 Rural Rental Housing Program
 - Targets 50% or less AMI
 - Forest Senko Villa
 - 84 Units
 - Section 8 Contract expires in 2030
 - Garden Grove Apartment
 - 48 Units (2008)
 - Section 8 rent is 66% of fair market value
 - Section 8 Contract expires in 2027

Existing Data

- Economic Opportunity Analysis
 - Comparison of Need to Supply (2009 to 2028)

Ownership				Rental			
Price Range	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus	Rent	Estimated Current Need	Estimated Current Supply	Unmet (Need) or Surplus
\$0 - 50k	211	416	205	\$0 - 250	469	40	(429)
\$50k - 70k	135	156	21	\$250 - 375	289	138	(151)
\$70k - 90k	137	156	18	\$375 - 500	240	163	(77)
\$90k - 120k	143	157	14	\$500 - 625	271	933	662
\$120k - 160k	432	390	(42)	\$625 - 875	396	1,163	767
\$160k - 230k	701	1,462	762	\$875 - 1,250	497	642	145
\$230k - 350k	1,085	1,027	(58)	\$1,250 - 1,875	601	330	(271)
\$350k - 460k	779	315	(464)	\$1,875 - 2,500	133	82	(51)
\$460k - 690k	656	147	(510)	\$2,500 - 3,750	48	0	(48)
\$690k +	195	52	(143)	\$3,750 +	0	0	0
Totals:	4,474	4,278	(196)	Totals:	2,945	3,490	546

Occupied Units:	7,419
All Housing Units:	7,768
Total Unit Surplus:	350

Existing Data

- Washington County Consolidated Plan (2015 – 2020)

TABLE 3-76 Median Homeownership Costs, Washington County (2012)

Name of Area	Median Selected Monthly Owner Costs With A Mortgage (\$)
Banks	1,765
Beaverton	1,868
Cornelius	1,654
Durham	2,184
Forest Grove	1,562
Gaston	1,769
Hillsboro	1,820
King City	1,148
Lake Oswego (part)	0
North Plains	1,629
Portland (part)	2,756
Rivergrove (part)	3,250
Sherwood	2,083
Tigard	1,948
Tualatin (part)	1,909
Wilsonville (part)	0
Unincorporated	n/a
Washington County	1,888

Source: 2008-2012 ACS

TABLE 3-73 Median Rents, Washington County (2012)

Name of Area	Median Rent (\$)
Banks	869
Beaverton	920
Cornelius	920
Durham	844
Forest Grove	756
Gaston	627
Hillsboro	1,023
King City	984
Lake Oswego (part)	0
North Plains	939
Portland (part)	684
Rivergrove (part)	0
Sherwood	1,212
Tigard	920
Tualatin (part)	972
Wilsonville (part)	1,195
Unincorporated	n/a
Washington County	961

Source: 2008-2012 ACS

Existing Data

- Washington County Consolidated Plan (2015 – 2020)

TABLE 3-69 Distribution of Subsidized Housing, Washington County (2011)

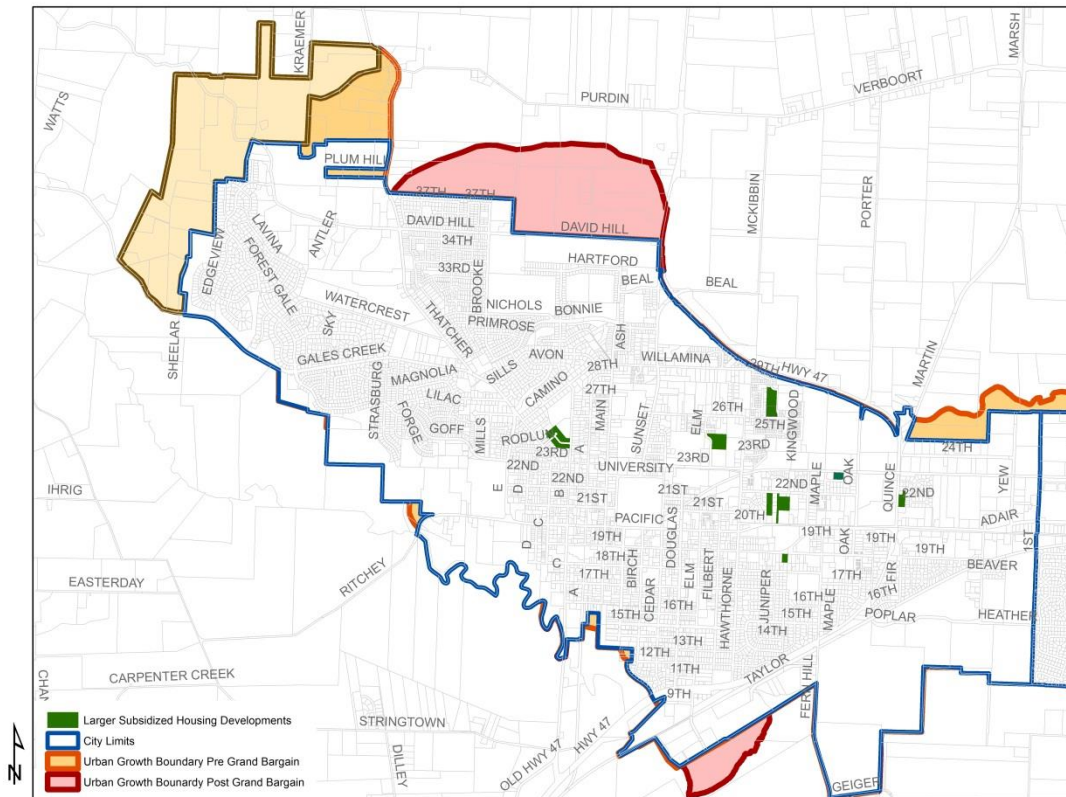
Jurisdiction	Number of sites	Unregulated units	Regulated units	Total units
Beaverton	34	11	501	512
Cornelius	10	0	10	10
Durham	1	0	210	210
Forest Grove	31	7	597	604
Hillsboro	62	4	2,196	2,200
North Plains	1	0	33	33
Sherwood	7	1	96	97
Tigard	18	10	632	642
Tualatin	3	0	604	604
Unincorporated County	89	7	2,096	2,118
Washington County	256	40	6,975	7,030

Source: 2011 Metro Affordable Housing Inventory Report

Existing Data

- Subsidized Units

Larger Subsidized Housing Developments



Jurisdiction	Subsidized Units (2011)	Subsidized Per Capita (per 1000 persons)
Forest Grove	604	28.8
Hillsboro	2,200	24.0
Tualatin	604	23.2
Wash Co. (uninc.)	2,118	11.1
Tigard	642	13.4
Beaverton	512	5.7
Cornelius	10	0.8

Existing Data

2015 -- National Non-Metro Median Income

\$54,100

(applies to 9% credits only in non-metro areas)



To identify if your property is considered Rural by the USDA, use the information at the following link:

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@12>

Ntnl Non-Metro 2015 Income Limits								
% MFI	1 Pers	2 Pers	3 Pers	4 Pers	5 Pers	6 Pers	7 Pers	8 Pers
30%	\$11,370	\$12,990	\$14,610	\$16,230	\$17,520	\$18,840	\$20,130	\$21,420
35%	\$13,265	\$15,155	\$17,045	\$18,935	\$20,440	\$21,980	\$23,485	\$24,990
40%	\$15,160	\$17,320	\$19,480	\$21,640	\$23,360	\$25,120	\$26,840	\$28,560
45%	\$17,055	\$19,485	\$21,915	\$24,345	\$26,280	\$28,260	\$30,195	\$32,130
50%	\$18,950	\$21,650	\$24,350	\$27,050	\$29,200	\$31,400	\$33,550	\$35,700
55%	\$20,845	\$23,815	\$26,785	\$29,755	\$32,120	\$34,540	\$36,905	\$39,270
60%	\$22,740	\$25,980	\$29,220	\$32,460	\$35,040	\$37,680	\$40,260	\$42,840
80%	\$30,320	\$34,640	\$38,960	\$43,280	\$46,720	\$50,240	\$53,680	\$57,120

Rents based on Ntnl Non-Metro 2015 Income Limits						
% MFI	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
30%	\$284	\$304	\$365	\$421	\$471	\$519
35%	\$331	\$355	\$426	\$492	\$549	\$605
40%	\$379	\$406	\$487	\$562	\$628	\$692
45%	\$426	\$456	\$547	\$632	\$706	\$779
50%	\$473	\$507	\$608	\$703	\$785	\$865
55%	\$521	\$558	\$669	\$773	\$863	\$952
60%	\$568	\$609	\$730	\$843	\$942	\$1,038
80%	\$758	\$812	\$974	\$1,125	\$1,256	\$1,385

Existing Data

- Washington County Housing Advisory Committee
 - Source: Johnson Economics Presentation to Housing Advisory Committee on Oct. 14, 2016

	2011-13 CPI-U Increase	2011-15 Rent Increase	Net Rent Adjustment
Beaverton-Tigard	3.45%	27.9%	27.0%
Camas-Washougal	3.45%	25.0%	24.2%
Downtown	3.45%	40.4%	39.1%
East County	3.45%	19.8%	19.1%
East Portland	3.45%	39.9%	38.6%
Happy Valley	3.45%	18.5%	17.9%
Hillsboro-Forest Grove	3.45%	34.1%	33.0%
Lake Oswego-West Linn	3.45%	22.2%	21.5%
Mid County	3.45%	18.7%	18.1%
Milwaukie-Gladstone-Oregon City	3.45%	19.8%	19.2%
North Clark	3.45%	21.5%	20.8%
North Portland	3.45%	71.0%	68.6%
Southwest Portland	3.45%	34.4%	33.2%
Tualatin-Sherwood-Wilsonville	3.45%	29.3%	28.4%
Vancouver	3.45%	21.5%	20.8%

Building Permit Estimated Fees

COMMUNITY DEVELOPMENT DEPARTMENT

BUILDING DIVISION

Estimated fees for a 2000 sq. ft. single family home w/550 sq. ft. garage

As of July 1, 2016

Planning Department Site Review Fee	\$351.00
Structural Plan Review	\$1,015.38
Building Permit	\$1,562.13
12% State Surcharge	\$187.46
Mechanical Permit (Includes 12% State Surcharge)	\$118.27
Plumbing Permit (3 bath home – includes 12% State Surcharge)	\$417.15
Excavation Fee (May require performance and 1-year maintenance bond)	\$33.00
Water Connection - 3/4 inch meter	\$314.00
Water System Development Charge	\$5,478.00
Parks System Development Charge	\$3,000.00
Transportation Development Tax	\$8,278.00
CWS Sewer Connection	\$5,300.00
Surface Water Management - Quantity	\$280.50
Erosion Control	\$295.00
Tree Planting Deposit (Average Two Trees Per Lot @ \$363 Each)	\$748.00
Metro Construction Excise Tax (0.12% of project valuation)	\$270.82
Forest Grove School District Construction Excise Tax (\$1.00 per square foot of heated space)	\$2,000.00
Light & Power Service Extension	\$195.00
TOTAL ESTIMATED DEVELOPMENT AND PERMIT FEES	\$29,843.71**
Sanitary Sewer Lateral Deposit (if necessary)	\$1,000.00***
Total With Deposit:	\$30,843.21

*Note: there may be additional charges for unimproved properties (not in a subdivision).

**Note: there may be additional charges for power line extensions. Temporary power (3 mos.) can be acquired for \$150 through the Light & Power Department. Please call (503) 992-3250 for questions relating to these fees.

***Note: this is a deposit only. Actual fees are based on the cost of labor to install the lateral or water meter and the equipment and materials used. After Public Works has installed the lateral or water meter, you will either receive a refund for the amount not used or a bill for any amount exceeding the deposit.



Discussion



Next Steps



Next Steps

- TAC Meeting #2 (January 25, 2017)
 - Identify affordable housing tools and program;
 - Agreement on affordable housing tools to evaluate further; and
 - Agreement in evaluation criteria for assessment of affordable housing tools & programs
- TAC Meeting #3 (March 15, 2017)
 - Assessment of tools/programs identified during TAC Meeting #2
 - Recommend tools to include in public review draft of strategic plan
- CAC Meeting/Possible Community Open House (April 19, 2017)
 - CAC review of TAC recommended tools to include in Strategic Plan; and
 - Concurrence with recommended techniques to overcome identified housing affordability barriers/constraints
- Joint CAC Meeting/TAC Meeting #4 (May 24, 2017)
 - Review public comments on draft strategic plan;
 - Agree on comments to incorporate into strategic plan
 - Consensus recommendation on strategic plan for consideration by City Council.

A large, light green graphic of three oak leaves arranged in a circular pattern, framing the central text.

Discussion



Announce Next Meeting and Adjourn

Next Meeting

- January 25, 2017, 6:30 PM?

A large, light green graphic of three oak leaves arranged in a circular pattern, framing the central text.

Discussion